

ORIGINAL FILE

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STATE OF ILLINOIS Ameritech Cause No. 2

ILLINOIS COMMERCE COMMISSION

Witness  
Date 6-21-01 Reporter JT

TDS Metrocom, Inc. )  
)  
Petition for Arbitration of Interconnection Rates, )  
Terms and Conditions and Related Arrangements with )  
Illinois Bell Telephone Company d/b/a Ameritech )  
Illinois Pursuant to Section 252(b) of the )  
Telecommunications Act of 1996 )

Docket No. 01-0338

DIRECT TESTIMONY (FINAL)

OF

DEBORAH FUENTES

ON BEHALF OF

AMERITECH ILLINOIS

Dated: May 22, 2001

Issues  
TDS-33  
TDS-96  
TDS-103

1                   **DIRECT TESTIMONY (FINAL) OF DEBORAH FUENTES**

2                   **ON BEHALF OF AMERITECH ILLINOIS**

3                   **CASE NO. 01-0338**

4   **Q.    PLEASE STATE YOUR NAME, BY WHOM YOU ARE EMPLOYED, YOUR**  
5   **TITLE AND YOUR BUSINESS ADDRESS.**

6   A.    My name is Deborah D. Fuentes. I am employed by Ameritech, and my business address  
7        is 350 N. Orleans, Chicago, IL 60654. I am currently an Associate Director in  
8        Wholesale Marketing.

9   **Q.    PLEASE SUMMARIZE YOUR EDUCATION.**

10 A.    I received my Master of Science in Integrated Marketing Communications from  
11        Roosevelt University and my Bachelor of Arts in Political Science from Loyola  
12        University.

13 **Q.    PLEASE SUMMARIZE YOUR WORK EXPERIENCE.**

14 A.    I began with Ameritech in 1989 in the purchasing organization as a buyer for furnish only  
15        and engineering equipment as well as for Controlled Environmental Vaults, Huts and  
16        Remote Terminals. In May of 1993, I became the Illinois Marketing Operations  
17        Manager, where my responsibilities included product development, implementation and  
18        marketing strategies for Caller ID within Illinois. In November of that year, I became the  
19        Regional Product Manager in the Consumer Business Unit for Caller ID and Caller ID  
20        with Name. My responsibilities included development, implementation and marketing  
21        strategy for the five Ameritech states. In May of 1995, I became a Regional Project  
22        Manager working within the Strategic Supplier Implementation organization. In that  
23        position, I acted as the single point of contact for one of six Ameritech Key Suppliers. In

1 November, 1995, I took over responsibilities as Product Manager of Unbundled Local  
2 Switching; my responsibilities included the development and regional implementation of  
3 Local Switching. In May of 1999, I became regional product manager for Unbundled  
4 Loops. From December of 1999 through June of 2000, I was the 13-state product  
5 manager for Sub-Loop Unbundling. I was responsible for the development and  
6 implementation of Sub-Loop Unbundling. I moved into my current role, Associate  
7 Director of Local Wholesale Marketing, in June of 2000.

8 **Q. WHAT IS THE PURPOSE OF YOUR DIRECT TESTIMONY?**

9 A. The purpose of my direct testimony is to present Ameritech Illinois' position related to  
10 unresolved collocation issues identified in the arbitration petition filed by TDS.  
11 Specifically, I will address the following:

12 ♦ *Should Ameritech be required to offer adjacent location access to UNEs?*  
13 *(TDS-33)*

14 ♦ *Should TDS be permitted to increase the size of its collocation space when*  
15 *it is using less than 60% of the space it already has? (TDS-96)*

16 ♦ *Should the insurance provisions be governed by the General Terms and*  
17 *Conditions? (TDS-103)*

18 *Should Ameritech be required to offer adjacent location access to UNEs? (TDS-33)*

19 **Q. WHAT IS TDS REQUESTING IN SECTION 4 OF THE APPENDIX UNE OF**  
20 **THE PROPOSED INTERCONNECTION AGREEMENT?**

21 A. TDS is proposing a novel method of connecting to unbundled network elements or  
22 establishing a network interconnection that it is attempting to pass off as collocation.  
23 Essentially what TDS proposes is "off-site" adjacent collocation.

24 **Q. PLEASE DESCRIBE TDS'S PROPOSAL REGARDING "OFF-SITE"**  
25 **ADJACENT COLLOCATION.**

1 A. By definition, collocation occurs in the central office or on the premises of an ILEC.  
2 Contrary to that definition, TDS seeks to “collocate” on property that is neither within an  
3 Ameritech Illinois central office nor on the premises of such a central office.  
4 Specifically, TDS is requesting collocation within “... a structure placed or leased near an  
5 [Ameritech Illinois] Eligible Structure,” even if such a structure is not on or at a premises  
6 owned or operated by Ameritech Illinois.

7 **Q. IS TDS’S REQUEST FOR OFF-SITE COLLOCATION CONSISTENT WITH**  
8 **FEDERAL LAW?**

9 A. No, it is not. Section 251(c)(6) of the 1996 Act defines collocation as “the duty to  
10 provide, on rates, terms, and conditions that are just, reasonable, and nondiscriminatory,  
11 for physical collocation of equipment necessary for interconnection or access to  
12 unbundled network elements *at the premises* of the local exchange carrier. . .” (emphasis  
13 added). The FCC has recently made clear that under this provision of the Act, the  
14 premises upon which ILECs must offer collocation “exclude[] land and buildings in  
15 which the incumbent LEC has no interest.” *Deployment of Wireline Services Offering*  
16 *Advanced Services Capability*, CC Docket No. 98-147, *Order on Reconsideration*, ¶ 44  
17 (F.C.C. rel. 8/10/00). Although TDS claims that the FCC rules require off-site  
18 collocation, TDS’s request cannot be reconciled with the FCC’s requirement that the  
19 premises for collocation must be owned or controlled by the ILEC. In fact, under  
20 paragraph 44 of the FCC’s *Order on Reconsideration*, a federal district court has held  
21 that a state commission’s “requirement that [an ILEC] provide for collocation on nearby  
22 property not owned or controlled by plaintiff is *not consistent with federal law*.” *U.S.*  
23 *West v. Ameritech Tel. Technology, Inc.*, No. C00-05861, at pp. 2-4 (W.D. Wash. Nov.  
24 20, 2000) (emphasis added). It follows that TDS’s essentially identical proposal for off-

1 site collocation (or collocation on premises not owned or controlled by Ameritech  
2 Illinois) should also be rejected as inconsistent with federal law.

3 **Q. DOES TDS'S REQUEST FALL UNDER THE FCC RULES REQUIRING**  
4 **ADJACENT COLLOCATION?**

5 A. No. TDS requests off-site collocation, while the FCC only requires Adjacent Space  
6 Collocation that is *on site*. Under the FCC's rules, On-Site Adjacent Collocation allows a  
7 collocater to physically collocate *on Ameritech Illinois* property in adjacent controlled  
8 environmental vaults, cabinets, huts, mini-huts or other structures similar to those that  
9 Ameritech Illinois uses to house telecommunications equipment, to the extent technically  
10 feasible. Moreover, On-Site Adjacent Collocation is available only when an eligible  
11 structure's physical collocation space is legitimately exhausted: that is, when there is  
12 absolutely no more unused space available for physical collocation within the central  
13 office.

14 The D.C. Circuit made clear that the FCC's rules for adjacent collocation would not be  
15 consistent with federal law if they allowed collocation off site, or outside of the ILEC's  
16 premises: "[P]etitioners can find no argument that [the FCC's rule] is impermissible  
17 under 251(c)(6), for the simple reason that the disputed 'adjacent' properties *all are on*  
18 the LEC's premises, which is all that is required by the statute." *GTE Services Corp. v.*  
19 *FCC*, 205 F.3d 416, 425 (D.C. Cir. 2000). Thus, TDS's request is neither a proper  
20 request for adjacent collocation nor consistent with federal law.

21 Recently, this issue was addressed by the Public Service Commission of Wisconsin  
22 ("PSCW"). That Commission agreed with Ameritech that "the access method proposed

by TDS is *in addition* to the use of adjacent property upheld” (emphasis added) in the *GTE Services* case I mentioned, and declined to order Ameritech to provide it.

***Should TDS be permitted to increase the size of its collocation space when it is using less than 60% of the space it already has? (TDS-96)***

**Q. PLEASE DESCRIBE THE PARTIES’ POSITIONS RELATING TO THE PROPOSED LANGUAGE IN SECTION 10.11?**

A. Ameritech Illinois proposes that TDS not be permitted to request additional collocation space in a central office where it is already collocated, unless it is using 60% of the space that it already has (or projects that it will be using 60% by the end of the collocation request process). TDS, on the other hand, is requesting that Ameritech Illinois be required to allow TDS to augment its collocation space whenever/wherever “space is available,” regardless of potentially improper use of existing space or existing office conditions.

**Q. IS AMERITECH ILLINOIS’ 60% SPACE USAGE REQUIREMENT REASONABLE AND CONSISTENT WITH FCC REQUIREMENTS?**

A. Yes. The FCC provides that “an incumbent may impose reasonable restrictions on warehousing of unused space by collocating telecommunications carriers . . . .” (47 CFR § 51.323(f)(6)). When TDS is using less than 60% of the space it already has, there is no need for TDS to acquire more space. Sixty percent is a reasonable threshold for CLECs to meet before obtaining new space. Ameritech Illinois is merely trying to balance the needs of a CLEC desiring additional space with the needs of other CLECs seeking space as well by following best practices and requiring a minimum of 60% space usage. This is a non-discriminatory requirement that protects the interests of both CLECs and Ameritech Illinois.

1 **Q. DOES AMERITECH ILLINOIS HAVE A NEED TO BE CONCERNED WITH**  
2 **CLECS ABUSING ALLOCATED COLLOCATION SPACE?**

3 A. Yes. With the increasing number of CLECs choosing to collocate within Ameritech  
4 Illinois' offices, Ameritech Illinois has a legitimate concern that it may face premature  
5 exhaust in some of its busier central offices due to improper use of space by CLECs who  
6 are allowed to arbitrarily request additional space.

7 For example, in the Franklin Central Office in downtown Chicago, an existing collocator  
8 has a 400 square foot collocation cage; this particular cage has been in-place and  
9 operating for well over 180 days. The collocator has only one bay of equipment  
10 operating in this 400 sq. ft. cage. However, a cage of that size can accommodate  
11 approximately 28 standard-sized equipment bays. Similarly, in the Northbrook Main  
12 office, a CLEC has 410 square feet of space, but has placed only 5 or 6 bays (out of a  
13 possible 28). Clearly, this represents under-utilization of collocation space.

14 Another example is found in Wheeling. There, a CLEC has had collocation space for at  
15 least three years. Yet to this date, this particular CLEC has not installed any equipment.  
16 Similarly, a CLEC in the Highland Park central office maintains two 200 sq. ft. cages  
17 (and has done so since 1998); one of the cages meets the usage requirement, but the other  
18 is empty. And finally, a CLEC in the Belleville central office has a 100 sq. ft. cage which  
19 has been empty for more than 180 days.

20 Though not an exhaustive list, the above are examples of the abuse that occurs which  
21 limits available central office space and thus jeopardizes not only Ameritech Illinois'

ability to provide service, but also the ability of other CLECs to compete and provide services to local end user customers.

**Q. ONCE TDS HAS REACHED 60% CAPACITY, IS TDS ABLE TO REQUEST AND ACQUIRE ADDITIONAL SPACE?**

A. Yes. TDS can request additional space by submitting a request for collocation space. Based on the first come, first served concept, if space is available when TDS requests it, then that space will be available to TDS. In addition, if the space is available and there are no prior CLEC requests for the space, Ameritech Illinois will willingly offer contiguous space to TDS's existing collocation area.

Additionally, TDS does not have to hold off beginning the process to request additional space before reaching 60% usage. Rather, it may begin the process prior to reaching the 60% usage rate so long as it expects to achieve 60% utilization before the process is completed.

*Should the insurance provisions be governed by the General Terms and Conditions? (TDS-103)*

**Q. WHAT IS TDS'S POSITION WITH RESPECT TO AMERITECH ILLINOIS' PROPOSED LANGUAGE AT SECTION 18 CONCERNING COLLOCATION AND INSURANCE PROVISIONS?**

A. TDS suggests that there should not be any additional requirements for insurance relating to collocation. TDS contends that the insurance provisions in the general terms and conditions are sufficient and therefore, there is no need for additional coverage and conditions when collocation is present.

**Q. DOES AMERITECH ILLINOIS AGREE WITH TDS?**

A. No. Ameritech Illinois very clearly sees the need for additional coverage and security when the integrity of the network may be at risk or in jeopardy. TDS witness Kaatz, in



1 his direct testimony, is guilty of what he inaccurately accuses Ameritech Illinois to be  
2 guilty of -- solely focusing on the financial aspect. Specifically, Mr. Kaatz claims that  
3 the additional conditions placed by Ameritech Illinois are merely done "with the sole  
4 goal of satisfying Ameritech's insurance inspector," and that "TDS Metrocom would  
5 spend money to make Ameritech's insurance premiums lower." (Kaatz Direct at p. 17.)  
6 However, Ameritech Illinois' network and/or company employees may inadvertently be  
7 at risk due to the simple fact that numerous non-Ameritech employees have access to the  
8 network. It is therefore clear that extra precautionary measures are needed with respect  
9 to collocation.

10 In reality, it is Ameritech Illinois' responsibility to maintain its network, which is utilized  
11 not only for Ameritech Illinois and its customers, but also for CLECs and CLEC  
12 customers. Ameritech Illinois' proposed language is therefore necessary to maintain the  
13 integrity of the network, and is standard in agreements with other CLECs. Furthermore,  
14 as evidenced by the redline contract submitted in this proceeding, Ameritech Illinois has  
15 significantly revised the protections that it previously sought in section 18. As it now  
16 stands, the bulk of the insurance provisions can be found in General Terms and  
17 Conditions, and section 18 retains only those provisions that pertain uniquely to  
18 collocation. Ameritech Illinois believes that its changes to section 18 should dispel  
19 TDS's objections.

20 **Q. CAN YOU RESPOND TO MR. KAATZ'S TESTIMONY REGARDING THE**  
21 **INSURANCE PROVISIONS WITH WHICH TDS DISAGREES?**

22 **A.** Yes. In his testimony, Mr. Kaatz states that "TDS Metrocom objects to the provisions as  
23 being unduly one-sided." (Kaatz Direct at p. 16). Mr. Kaatz's suggestion of reciprocity,

1 however, ignores the fact that collocation arrangements are, by their nature, not  
2 reciprocal. Mr. Kaatz further neglects to realize that TDS chooses to collocate on  
3 Ameritech Illinois' property, not vice versa. There is no need for reciprocal insurance  
4 obligations in this context. Since TDS is leasing space and conducting business on  
5 Ameritech Illinois' property, it is only reasonable that TDS provide coverage to protect  
6 against loss. TDS also expresses concern over "satisfying Ameritech's insurance  
7 inspector" (Kaatz Direct at p. 17.) This concern is overstated. Insurance carriers  
8 commonly impose obligations on their customers to minimize risk of loss, and Ameritech  
9 Illinois' insurance carriers are no exception. To the extent that such policies require  
10 Ameritech Illinois and CLECs to undertake safety and risk minimization activities, it is  
11 reasonable to expect them to do so.

12 Mr. Kaatz also states that "TDS Metrocom continues to request that the insurance  
13 provisions of the General Terms and Conditions should apply to collocation as well, and  
14 thus that Article 18 of Appendix collocation should be deleted." (Kaatz Direct at p. 17).  
15 Mr. Kaatz is mixing apples and oranges. Yes, insurance provisions of the General Terms  
16 and Conditions do apply to collocation as well. Likewise, the collocation-specific  
17 insurance provisions in section 18 of the Collocation Appendix should apply.

18 It is important to note that Mr. Kaatz only specifically addresses sections 18.2, 18.3 and  
19 18.6 in his testimony (and his points there are without merit). However, TDS requests  
20 that the entire section 18 of the Collocation Appendix be deleted. Ameritech Illinois has  
21 conceded much and made allowances to insure there is no redundancy between the  
22 insurance provisions in the General Terms and Conditions and the insurance provisions in  
23 the Collocation Appendix. It is ridiculous for TDS, however, to suggest that all insurance

provisions that are not currently in the General Terms and Conditions should be  
summarily deleted. The insurance provisions in section 18 are necessary and reasonable,  
and should appropriately be located in the Collocation Appendix.

**Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

**A. Yes.**